

Agenda Date: 09/13/06 Agenda Item: III A

STATE OF NEW JERSEY

Board of Public Utilities Two Gateway Center Newark, NJ 07102 www.bpu.state.nj.us

CABLE TELEVISION

IN THE MATTER OF THE PETITION OF COMCAST OF THE MEADOWLANDS, LLC FOR A RENEWAL CERTIFICATE OF APPROVAL TO CONTINUE TO CONSTRUCT, OPERATE AND MAINTAIN A CABLE TELEVISION AND CABLE COMMUNICATIONS	ORDER ADOPTING INITIAL DECISION/SETTLEMENT AND GRANTING RENEWAL CERTIFICATE OF APPROVAL
SYSTEM IN AND FOR THE BOROUGH OF CARLSTADT, COUNTY OF BERGEN, STATE OF NEW JERSEY)) BPU DOCKET NO. CE05020123) OAL DOCKET NO. CTV 7099-05

SERVICE LIST ATTACHED

BY THE BOARD:

On May 25, 1978, the Board granted Meadowlands Communications System, Inc. ("Meadowlands") a Certificate of Approval in Docket No. 767C-6184, for the construction, operation and maintenance of a cable television system in the Borough of Carlstadt ("Borough"). Through a series of transfers with required Board approval, the holder of the Certificate was Comcast Cablevision, Inc. d/b/a Comcast Cablevision ("Comcast"). On April 8, 1994, the Board issued a Renewal Certificate of Approval for the Borough to Comcast in Docket No. CE93050150. Through a series of additional transfers, with required Board approval, the holder of the Certificate is currently Comcast of the Meadowlands, LLC ("Petitioner"). Although the Petitioner's above referenced Certificate expired on April 8, 2004, it is authorized to continue to provide cable television service to the Borough pursuant to N.J.S.A. 48:5A-25, pending disposition of these proceedings regarding the renewal of its Certificate of Approval.

The Petitioner filed an application for the renewal of its municipal consent with the Borough on August 23, 2002, pursuant to N.J.S.A. 48:5A-23 and N.J.A.C. 14:18-13.3. The Borough held a public hearing but failed to take any final action on Petitioner's application for an ordinance granting renewal municipal consent.

On February 9, 2005, pursuant to N.J.S.A. 48:5A-17(d), the Petitioner filed a petition with the Board for a renewal of its Certificate of Approval for the Borough without a municipal consent. The Petitioner alleged that the Borough's actions in failing to grant renewal municipal consent were arbitrary and capricious. The Borough filed an answer to the petition on February 18, 2005. A pretransmittal settlement conference was held on April 14, 2005, in accordance with N.J.A.C. 14:17-8.1 et seq. but no settlement could be reached.

On May 27, 2005, the Board transmitted the case to the Office of Administrative Law ("OAL") for hearing as a contested case pursuant to N.J.S.A. 52:14B-1 to -15 and N.J.S.A. 52:14F-1 to -13. The Board received a notice of filing from the OAL dated June 15, 2005. The case was assigned to Administrative Law Judge ("ALJ") Barry N. Frank. After several prehearing conferences, the parties reached a settlement that disposed of the matters in contention. On July 24, 2006, the parties signed a stipulation of settlement which is a binding agreement between the parties (the "Stipulation"). The Stipulation resolves the issues in contention and further provides that the terms and conditions of the Borough's municipal consent ordinance adopted on March 15, 1993 (Ordinance 93-6 attached as Appendix "III"), remain binding under the terms of the renewal franchise except as specifically modified by the Stipulation.

On July 27, 2006, ALJ Frank issued an Initial Decision recommending that the Board approve the Stipulation (attached as Appendix "II"). In his Initial Decision, ALJ Frank found that the Stipulation disposed of all issues and controversies as required by N.J.A.C. 1:1-19.1.

The Board has reviewed the Initial Decision of ALJ Frank and <u>FINDS</u> that it is fair, reasonable and in the public interest. Therefore, the Board <u>HEREBY ADOPTS</u> the Initial Decision and Stipulation in their entirety. The terms of the Initial Decision, the Stipulation and the application for renewal municipal consent are incorporated into this Renewal Certificate of Approval as if fully set forth herein.

The Board has reviewed the application for municipal consent, the petition for a Renewal Certificate of Approval and the Stipulation . Based upon this review and the recommendation of the Office of Cable Television, the Board <u>HEREBY FINDS</u> the following:

- 1 The Petitioner possesses the requisite legal, character, financial and technical qualifications for the awarding of a Renewal Certificate of Approval.
- The design and technical specifications of the system will ensure that the Petitioner provides safe, adequate and proper service.
- 3. The Petitioner has represented that all previously required construction within the franchise territory is complete.

- 4. The franchise period as stated in the Stipulation is 15 years from the date of issuance of this Certificate. The Board finds this period to be of reasonable duration.
- 5. The Petitioner's rates shall be regulated and tariffs shall be filed for all services, in accordance with the rules and regulations of the Federal Communications Commission, the Board and the Office of Cable Television. The Petitioner shall maintain informational tariffs for unregulated service rates and promptly file any revisions thereto.
- 6. Pursuant to statutory requirements, the complaint officer specified to receive and act upon complaints filed by subscribers in the Borough is the Office of Cable Television. All complaints shall be received and processed in accordance with the applicable rules.
- 7. The Petitioner shall maintain a local business office for the purpose of receiving, investigating and resolving complaints. Currently, the local business office serving this provision is located at 171 River Road in North Arlington, New Jersey.
- 8. The franchise fee to be paid to the Borough is specified to be 2% of the Petitioner's gross revenues from all recurring charges in the nature of subscription fees paid by subscribers for its cable television reception service in the Borough. Additional regulatory fees shall be paid to the State in an amount not to exceed 2% of Petitioner's gross operating revenues derived from intrastate operations. The Board finds these fees to be reasonable.
- 9. The Petitioner shall utilize the line extension policy ("LEP") attached to the Certificate as Appendix "I." The minimum homes per mile figure is 35.
- 10. The Petitioner has public, educational and governmental ("PEG") access channels, facilities and support personnel, as specified in its application. Specifically, the Petitioner maintains one channel for PEG access, which is shared with overflow programming, for use by the Borough and other municipalities, non-profit organizations and schools in the Petitioner's system. The Petitioner also maintains a local programming channel.
- Within 90 days of the date of issuance of this Certificate, the Petitioner shall provide the Borough a one-time grant for technology related needs in the amount of \$12,000.00. Upon payment of this obligation, the Petitioner shall submit proof to the Office of Cable Television indicating its satisfaction of this provision.

- 12. The Petitioner shall provide or continue to provide basic cable television service of one outlet, free of charge, to each of the following facilities in the Borough, provided that the facility is located within 200 feet of active cable distribution plant: a) each public and private elementary and secondary school, b) the municipal building, c) the public library and d) the senior center.
- 13. The Petitioner shall provide or continue to provide free Internet access, via high speed modem, to one non-networked computer in each public and private elementary and secondary school and the library in the Borough, provided that the facility is located within 200 feet of active cable distribution plant. If the new Lindbergh school is within 200 feet of active cable distribution plant, free Internet service shall also be provided to the school. The computers shall be designated for general student or library patron use.
- 14. Incorporation of the terms and conditions of municipal consent Ordinance 93-6 within the Stipulation manifests a grant of municipal consent sufficient to satisfy N.J.S.A. 48:5A-22 under the circumstances.

Based upon these findings, the Board <u>HEREBY CONCLUDES</u>, pursuant to <u>N.J.S.A.</u> 48:5A-17(a) and 28(c), that the Petitioner has sufficient financial and technical capacity, meets the legal, character and other qualifications necessary to construct, maintain and operate the necessary installations, lines and equipment, is capable of providing the proposed service in a safe, adequate and proper manner and that the Petitioner has complied or is ready, willing and able to comply with all applicable rules and regulations imposed by or pursuant to State or federal law as preconditions for engaging in the proposed cable television operations.

Therefore, the Petitioner is <u>HEREBY ISSUED</u> this Renewal Certificate of Approval as evidence of Petitioner's authority to construct and operate a cable television system within the entirety of the Borough.

This Renewal Certificate is subject to all applicable state and federal laws, the rules and regulations of the Office of Cable Television, and any such lawful terms, conditions and limitations as currently exist or may hereafter be attached to the exercise of the privileges granted herein. The Petitioner shall adhere to the standards set forth by the Federal Communications Commission's rules and regulations, 47 <u>C.F.R.</u> §76.1 <u>et seq.</u>, including but not limited to, the technical standards 47 <u>C.F.R.</u> §76.601 through §76.630. Any modifications to the provisions thereof shall be incorporated into this Certificate.

Failure to comply with all applicable laws, rules, regulations and orders of the Board or Office of Cable Television and/or the terms, conditions and limitations set forth herein may constitute sufficient grounds for the suspension or revocation of this Certificate.

This Renewal Certificate is issued on the representation that the statements contained in the Petitioner's applications are true, and the undertakings therein contained shall be adhered to

and enforceable unless specific waiver is granted by the Office of Cable Television pursuant to the authority contained in N.J.S.A. 48:5A-1 et seq.

This Certificate shall expire 15 years from the date of its issuance.

DATED:

BOARD OF PUBLIC UTILITIES

BY:

JEANNE M. FOX **PRESIDENT**

COMMISSIONER

SEPH L. FIORDALISO

COMMISSIONER

CONNIE O. HUGHES **COMMISSIONER**

CHRISTINE V. BATOR **COMMISSIONER**

ATTEST:

SECRETARY

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public

Utilities

APPENDIX "I" OFFICE OF CABLE TELEVISION LINE EXTENSION POLICY

COMCAST OF THE MEADOWLANDS, LLC BOROUGH OF CARLSTADT

A cable operator is required to absorb the cost of extensions to the system in the same proportion that the extension is to the remainder of the system.

Actual subscribers served by the extension are required to absorb the remainder of the cost.

If new subscribers are added to the extension the cost is adjusted and those who previously paid receive an appropriate rebate.

1.	# of homes in extension mileage of extension	=	homes per mile (HPM) of extension
2.	HPM of extension Minimum HPM that company actually constructs in the system *	=	ratio of the density of the extension to the minimum density which the company constructs in the system ("A")
3.	Total cost of building the extension times "A"	=	company's share of extension cost
4.	Total cost of building extension less company's share of extension cost	=	total amount to be recovered from subscribers
5.	Total amount to be recovered from subs Total subscribers in extension	= on	each subscriber's share

In any case, the company shall extend its plant along public rights of way to:

- 1. All residences and businesses within 150 aerial feet of the operator's existing plant at no cost beyond the normal installation rate.
- 2. All residences and businesses within 100 underground feet of the operator's plant at no cost beyond the normal installation rate.

^{*} The minimum HPM that the company actually constructs in the system or municipality is the minimum number of homes that the company has historically constructed at its own cost. This is a function of the operator's break-even point and its rate of return. Unbuilt systems will use the primary service area rather than construction.

The operator's installation policies shall apply to construction beyond the public right of way.

Detailed accounting and/or financial information to support the minimum HPM shall be supplied to the Office for its approval in such form as required. The minimum HPM shall be updated as appropriate.

When a request for service is received, and unless good cause is shown, cable companies shall:

- 1. Provide a written estimate within 30 days of such a request.
- 2. Begin construction within 60 days of receipt of any deposit monies from potential subscribers.
- 3. Complete construction within six months of receipt of any deposit monies from potential subscribers.
- 4. Inform each home passed along the extension of the potential costs for subscribers.

Subscribers who pay for an extension shall be entitled to rebates in the following manner:

- 1. If the company acquires new subscribers subsequent to the initial calculation of step 5 above, the formula will be adjusted and those who have previously paid for the extension will be entitled to an appropriate rebate. In no event shall the amount of the rebate exceed the subscriber's contribution.
- 2. The company shall keep accurate records of the cost of the extension, the amounts paid by subscribers and any appropriate adjustments.
- 3. The company shall notify subscribers in the extension of their rights and responsibilities concerning the extension.
- 4. Once an individual dwelling has paid its share of the extension cost future reconnections or installations shall be made at the company's standard rates.
- 5. After a period of five years from the installation of the first dwelling unit in the extension no further adjustments shall be made. Installations after five years shall be at the company's standard rate.
- 6. Once a subscriber is installed, that person shall not normally be entitled to a refund of any monies paid for the installations, except in accordance with the rebate procedure outlined in this policy.

Definitions

Primary Service Area

The Primary Service Area (PSA) can be an entire municipality, but in many instances the PSA is a limited area within a community outside of which a line extension policy may apply. The PSA is depicted by a franchise map and narrative, presented and recorded during the franchise proceedings. It normally remains a fixed geographic area throughout the life of the franchise.

Line Extension Survey

Potential subscribers residing outside the PSA who request service are entitled to an estimate of their share of the cost to secure service. When conducting a survey and estimating costs, a cable company should factor in all potential subscribers who could practicably be included in the extension and give consideration to apparent residential construction in areas contiguous to the proposed extension.

SERVICE LIST

Dennis C. Linken, Esq Stryker, Tams and Dill Two Penn Plaza East 10th Floor Newark, NJ 07105

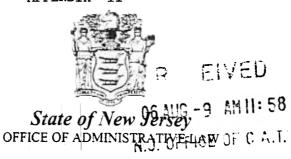
Emad Iskaros, Esq. Fahy Choi Meadows Office Complex 201 Route 17 North, 10th Floor Rutherford, NJ 07070

Claire Foy Borough Clerk Borough of Carlstadt 500 Madison Street Carlstadt, NJ 07072-1597

Babette Tenzer, Esq. Deputy Attorney General Division of Law 124 Halsey Street Newark, NJ 07102

Celeste M. Fasone Director Office of Cable Television Board of Public Utilities Two Gateway Center Newark, NJ 07102

Karen A. Marlowe Coordinator, State and Local Planning Office of Cable Television Board of Public Utilities Two Gateway Center Newark, NJ 07102 APPENDIX "II"



CMS
Beslow
LAWANGA CHILDERT
DAG - TENZER
DAG - Sheehan
RFA
CABLE - MARLOWE

INITIAL DECISION
SETTLEMENT

OAL DKT. NO. CTV 7099-05 AGENCY DKT. NO. CE05020123

IN THE MATTER OF THE PETITION OF
COMCAST OF THE MEADOWLANDS, LLC
FOR A RENEWAL CERTIFICATE OF APPROVAL
TO CONTINUE TO CONSTRUCT, OPERATE AND
MAINTAIN A CABLE TELEVISION AND CABLE
COMMUNICATIONS SYSTEM IN AND FOR THE
BOROUGH OF CARLSTADT, COUNTY OF BERGEN,
STATE OF NEW JERSEY

Dennis C. Linken, Esq. and Richard P. DeAngelis, Esq., for Petitioner Comcast of the Meadowlands, LLC (Stryker, Tams & Dill, LLP, attorneys)

John J. Fahy, Esq. and Emad G. Iskaros, Esq., for Respondent Borough of Carlstadt (Fahy Choi, attorneys)

Record Closed July 26, 2006

Decided July 27, 2006

BEFORE BARRY N. FRANK, ALJ

This matter was transmitted to the Office of Administrative Law (OAL) from the Office of Cable Television, Board of Public Utilities on June 15, 2005, for hearing as a contested case, pursuant to N.J.S.A. 52:14B-1 to -15 and N.J.S.A. 52:14F-1 to -13, and assigned to the undersigned on June 27, 2005.

A hearing was scheduled for November 1, 2005 at the OAL, 33 Washington Street, Newark, New Jersey; however, due to incomplete discovery, the hearing was

adjourned to January 5 & 6, 2006. Prior to the hearing, settlement discussions were held and a tentative settlement was reached.

The parties have agreed to a settlement and have prepared a Stipulation of Settlement indicating the terms thereof, which is attached and fully incorporated herein.

have reviewed the record and the settlement terms and FIND

- The parties have voluntarily agreed to the settlement as evidenced by their signatures or their representatives' signatures.
- 2. The settlement fully disposes of all issues in controversy and is consistent with the law.

I CONCLUDE that this agreement meets the requirements of N.J.A.C. 1:1-19.1 and that the settlement should be approved. I approve the settlement and, therefore, ORDER that the parties comply with the settlement terms and that these proceedings be concluded.

I hereby FILE my initial decision with the BOARD OF PUBLIC UTILITIES for consideration.

This recommended decision may be adopted, modified or rejected by the BOARD OF PUBLIC UTILITIES, which by law is authorized to make a final decision in this matter. If the Board of Public Utilities does not adopt, modify or reject this decision within forty-five (45) days and unless such time limit is otherwise extended, this recommended decision shall become a final decision in accordance with N.J.S.A. 52:14B-10.

July 27, 2006

BARRY N FRANK, ALJ

Receipt Acknowledged:

BOARD OF PUBLIC UTILITIES

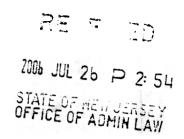
Mailed to Parties:

DATE

OFFICE OF ADMINISTRATIVE LAW

jb

STATE OF NEW JERSEY OFFICE OF ADMINISTRATIVE LAW BOARD OF PUBLIC UTILITIES



IN THE MATTER OF THE PETITION OF COMCAST OF THE MEADOWLANDS, LLC FOR A RENEWAL CERTIFICATE OF APPROVAL TO CONTINUE TO CONSTRUCT, OPERATE AND MAINTAIN A CABLE TELEVISION SYSTEM IN AND FOR THE BOROUGH OF CARLSTADT, COUNTY OF BERGEN, STATE OF NEW JERSEY

OAL Docket No. 07099-2005N BPU Docket No. CE05020123

STIPULATION OF SETTLEMENT

Appearances

Stryker, Tams & Dill LLP, by Dennis C. Linken, Esq., and Richard P. De Angelis, Esq. for Comcast of the Meadowlands, LLC.

Fahy Choi, by John J. Fahy, Esq. and Emad G. Iskaros, Esq., on behalf of the Borough of Carlstadt.

WHEREAS, Comcast of the Meadowlands, LLC ("Comcast" or the "Company") is a duly organized limited liability company formed under the laws of the State of Delaware, and maintains its principal local offices at 171 River Rd., North Arlington, New Jersey 07031; and

WHEREAS, the Borough of Carlstadt ("Borough", "Municipality" or "Carlstadt") is a municipal corporation of the State of New Jersey; and

WHEREAS, pursuant to N.J.S.A. 48:5A-1 et seq., Comcast is a cable television company subject to the jurisdiction of the New Jersey Board of Public Utilities ("Board"); and

WHEREAS, pursuant to N.J.S.A. 48:5A-17(a) and (b) and 28(c), on or about May 25, 1978, in Docket No. 767C-6184, the Board issued a Certificate of Approval to Meadowlands Communications Systems, Inc. ("Meadowlands") to construct, operate and maintain a cable television and cable communications system (the "System") in the Borough; and

WHEREAS, Meadowlands had also obtained authorization to operate a cable television system in municipalities adjacent to or surrounding the Borough (the "Meadowlands System"), and did construct and operate the Meadowlands System; and

WHEREAS, on November 28, 1979, in Docket No. 7911C-6577, the Board approved the transfer of the Meadowlands System, including the Certificate of Approval with respect to the Borough, from Meadowlands to Petitioner Comcast of the Meadowlands, LLC, f/k/a Comcast Cablevision Corporation; and

WHEREAS, pursuant to N.J.S.A. 48:5A-15 and 16, on or about April 8, 1994, in Docket No. CE93050150, the Board issued a Renewal Certificate of Approval to Petitioner for the continued construction, operation and maintenance of the System in the Borough; and

WHEREAS, on or about March 15, 1993, the Borough adopted Ordinance No. 93-6, renewing Comcast's Municipal Consent for the continued construction, operation and maintenance of the System in the Borough upon the terms and conditions set forth therein; and

WHEREAS, Comcast has continued to provide safe, adequate and proper cable television service since its acquisition of the Meadowlands System; and

WHEREAS, in accordance with 47 U.S.C. §546, on May 8, 2001, Comcast provided notice ("Notice") to the Borough that the Borough should commence renewal proceedings in accordance with law; and

WHEREAS, pursuant to N.J.S.A. 48:5A-1 et seq., and N.J.A.C. 14:18-13.3(a)3, on or about July 7, 2003, Comcast submitted an Application for Renewal of Municipal Consent (the "Application") to continue to construct, operate and maintain its System in the Borough; and

WHEREAS, the Renewal Certificate of Approval issued by the Board in Docket No. CE93050150 with regard to Carlstadt expired on April 8, 2004. However, under federal law and by virtue of the filing of the Notice and the Application, pursuant to N.J.S.A. 48:5A-25, Comcast's right to provide cable television service to residents of the Borough continues beyond said expiration date; and

WHEREAS, on or about September 11, 2003, a public hearing was held by the Borough with respect to Comcast's Application, during which all interested persons desiring to be heard were so heard; and

WHEREAS, during the Borough proceedings, and in its Application, Comcast presented evidence of its qualifications to continue to construct, operate and maintain a cable system in the Borough. Comcast provided information, *inter alia*, with respect to its legal, technical, financial and character qualifications as well as the significant improvements and enhancements which had been made by Comcast in and to the Meadowlands System in the course of its operation. Comcast also presented information concerning its proposal for operating the Meadowlands System in the future so as to meet the cable-related needs of the community; and

WHEREAS, following the hearing, Comcast attempted to negotiate a renewal of its municipal consent from the Borough upon reasonable terms and conditions through the adoption

of a mutually agreeable renewal ordinance. However, despite such attempts, Comcast and the Borough were unable to agree upon such terms and conditions; and

WHEREAS, the Borough did not adopt an ordinance granting Renewal of Municipal Consent to Comcast to construct, operate and maintain its System in the Borough, nor did the Borough adopt a resolution recommending to the Board a preliminary assessment of denial; and

WHEREAS, on February 9, 2005, Comcast filed an "arbitrary refusal" petition with the Board, pursuant to N.J.S.A. 48:5A-17(d), necessitated by the failure of the Borough to renew upon reasonable terms and conditions its municipal consent to Comcast, following public hearing on Comcast's application therefor or to otherwise take formal action with respect to Comcast's Application; and

WHEREAS, in its arbitrary refusal petition, Comcast alleged that its Application for Renewal of Municipal Consent was duly filed in accordance with law; that Comcast meets all requirements specified under the law for renewal; and that the failure of the Borough to renew Comcast's Municipal Consent was not based upon the record and contrary to law; and

WHEREAS, following the filing of Comcast's arbitrary refusal petition, the parties engaged in settlement discussions in an effort to amicably resolve this matter, but were unable to agree upon terms and conditions for renewal; and

WHEREAS, Comcast's arbitrary refusal petition was transmitted by the Board to the Office of Administrative Law ("OAL") for hearings; and

WHEREAS, the OAL proceedings commenced before the Honorable Barry N. Frank, A.L.J., on January 5, 2006; and

WHEREAS, during the OAL proceedings the parties continued settlement negotiations. As a result of said discussions, a settlement was reached pursuant to which the Borough agreed to renew Comcast's franchise upon the terms and conditions mutually agreed upon.

NOW, THEREFORE, the Borough and Comcast (together, the "Parties") hereby STIPULATE and agree to the following for consideration by the Board:

The franchise term shall be fifteen (15) years from the date of issuance by the Board of a Renewal Certificate of Approval in connection with this matter.

- 2. Within ninety (90) days of the issuance of said Renewal Certificate of Approval, Comcast shall provide a one-time grant to the Borough in the amount of \$12,000.00 for technology related purposes.
- Comcast shall continue to provide free basic cable television service on one (1) outlet in each public and private elementary and secondary school that is or may be constructed in the Borough, and on one (1) outlet in the municipal building, library, and senior center that is located in the Borough, provided that each such facility shall be located within 200 feet of active cable distribution plant.

- Comcast shall continue to provide free internet access to one non-networked computer in each public and private elementary and secondary school and the library within the Borough (provided that, as to the new Lindbergh school, such school shall be located within 200 feet of active cable distribution plant) (and further provided that each such computer in a school shall be utilized for student educational purposes and that the computer in the library shall be utilized for general public purposes).
- All of the terms and conditions contained in Ordinance 93-6, except as modified herein, are fully incorporated into this Stipulation of Settlement as if fully set forth herein. Such terms and conditions shall be binding upon the Company as terms and conditions of this Stipulation of Settlement, except as may be modified by the Company's Application.
- All of the commitments and statements contained in the Application and any amendment thereto submitted in writing to the Municipality by the Company, except as modified herein, shall be binding upon the Company as terms and conditions of this Stipulation of Settlement. The Application and any other relevant writings submitted by the Company shall be considered a part of this Stipulation of Settlement and made a part hereof by reference as long as they do not conflict with State or federal law. All ordinances or parts of ordinances or other agreements between the Borough and the Company that are in conflict with the provisions of this Stipulation of Settlement are hereby declared invalid and superseded.
- 7. This Stipulation of Settlement is subject to the approval of the Board.
- This Stipulation of Settlement resolves all issues raised by any party, relating or pertaining in any way to or in connection with this matter.
- The signatories agree that, except as expressly provided herein, this Stipulation of Settlement has been made exclusively for the purpose of these proceedings and that the provisions contained herein, in total or by specific items, shall not be used against any of the Parties in any other proceedings before the Board or in other forums or jurisdictions, nor shall the contents of this Stipulation of Settlement, in total or by specific items, by inference, inclusion, or deletion, in any way be considered or used by any other Party as any indication of the position of any Party hereto on any issue litigated or to be litigated in other proceedings. Both signatories acknowledge that the terms of this Stipulation of Settlement shall not be effective until approved by the Board.
- This Stipulation of Settlement contains terms, each of which is interdependent with the others and essential in its own right to the signing of this Stipulation of Settlement. Each term is vital to the Stipulation of Settlement as a whole, since the Parties expressly and jointly state that they would not have signed the Stipulation of Settlement had any term been modified in any way. Each Party is entitled to certain procedures in the event that any modification is made to the

terms of this Stipulation of Settlement, pursuant to which each of the signatory Parties hereto must be given the right to be placed in the position it was in before this Stipulation of Settlement was entered into. Therefore, if any modification is made to the terms of this Stipulation of Settlement, it is essential that each Party be given the option, before the implementation of any term or condition under the franchise that results from said action, either to modify its own position, to accept the proposed changes, or to resume the proceedings as if no agreement had been reached.

The Parties believe these provisions are fair to all concerned and therefore they are made an integral and essential element of this Stipulation of Settlement. This being the case, all Parties expressly agree to support the right of any other Party to this Stipulation of Settlement to enforce all terms and procedures detailed herein.

COMCAST OF THE MEADOWLANDS, LLC

Dated: July 24, 2006

Dennis C. Linken, Esq.

Stryker, Tams & Dill LLP

BOROUGH OF CARLSTADT

Dated: July 14, 2006

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State of New Jersey
OFFICE OF ADMINISTRATIVE LAW

33 Washington Street
Newark, New Jersey 07102

(973) 648-6008

NORTH

JUL 3 1 2006 Re: Initial Decisions for Receipt Receipt of the following decisions from the Office of Administrative Law (as well as a copy of this form) is acknowledged as of the date indicated below: OAL Docket No. CTV Case Name 7099-05 Office of Cable Television Board of Public Utilities. Two Gateway Center Date: 8//24 Newark, New Jersey 07102 Office of Cable Television

ORDINANCE NO. 93-6

AN ORDINANCE GRANTING A FRANCHISE TO COMCAST CABLEVISION CORPORATION, d/b/a COMCAST CABLEVISION, TO CONSTRUCT, OWN OPERATE, EXTEND AND MAINTAIN A CABLE TELEVISION SYSTEM IN THE BOROUGH OF CARLSTADT, COUNTY OF BERGEN, SETTING FORTH CONDITIONS ACCOMPANYING THE GRANT OF SAID FRANCHISE, AND PROVIDING FOR THE REGULATION AND USE OF SAID SYSTEM.

may be cited as the "Comcast Cablevision Corporation, d/b/a Comca Cablevision, Franchise Renewal Ordinance (herein, the Ordinance"

section 2: Definition. For the purpose of this Ordinance the following terms, phrases, words, and their derivations shall have the meaning given herein. When not inconsistent with the context, words used in the present tense include the future, word in the plural include the singular, and words in the singular include the plural.

(1) "Application" shall be the Application for Renewal o Municipal Consent filed with the Borough on or abou

August 24, 1992.

(2) Board" means the Board of Regulatory Commissioners of the

State of New Jersey.

- "Cable Television Company" or "CATV Company" means any Person owning, controlling, operating, or managing a cable television system. The term "Person" as used herein shall be construed, without limiting the generality thereof, to include specifically any agency or instrumentality of this State or of any of its political subdivisions; but this definition shall not include a telephone, telegraph, or electric utility company regulated by the Board in a case where it merely leases or rents or otherwise provides to a CATV Company wires, conduits, cables, or pole space used in the redistribution of television signals to or toward subscribers or customers of such CATV Company.
- (4) "Cable Television System" or "CATV System" means any facility within this State which is operated or intended to be operated to perform the service of receiving and amplifying the signals broadcast by one or more television stations and redistributing such signals by wire, cable, or other device or means for accomplishing such redistribution, to members of the public who subscribe to such service; or distributing through its facility any television signals, whether broadcast or not; or any part of such facility. The term "facility" as used in this subsection includes all real property, antennae, poles, wires, cables, conduits, amplifiers, instruments, appliances, fixtures, and other personal property used by a CATV Company in providing service to its subscribers and customers.
- (5) "Borough" is the Borough of Carlstadt, County of Bergen, State of New Jersey, and shall include, as appropriate, the governing body of the Borough.
- (6) "Company" is the grantee of rights under this Ordinance awarding a Franchise and is known as Comcast Cablevision Corporation, d/b/a comcast Cablevision.
- (7) "Federal Act" shall mean that Federal statute relating to cable communications commonly known as the Cable Communications Policy Act of 1984, 47 U.S.C. §521 et seq., or as that statute may be amended.
- (8) "Federal Regulations" shall mean those Federal Regulations relating to cable television service, 47 C.F.R. §76.1 et seq. and, to the extent applicable, any other Federal rules and regulations relating to cable

television, including, but not limited to, those described in 47 C.F.R. \$76.3, or as such regulations may be amended.

- (9) "F.C.C." is the Federal Communications Commission.
- (10) "Highway" as used herein includes every street, road alley, thoroughfare, way or place of any kind used by the public or open to use by the public.
- (11) "Person" is any person, firm, partnership, association, corporation, company, or organization of any kind.
- (12) "State Act" shall mean that statute of the State of New Jersey relating to cable television, known as the Cable Television Act, N.J.S.A. §48:5A-1 et seq., or as that statute may be amended.
- (13) "State Regulations" shall mean those regulations of the Board relating to cable television, N.J.A.C. 14:17-1.1 et seq., and N.J.A.C. 14:18-1.1 et seq., or as such State regulations may be amended.
- (14) "Subscriber Revenues" shall mean those revenues derived from all recurring charges in the nature of subscription fees paid by subscribers located within the Borough for cable television reception service for which no separate or additional charge is made--i.e., basic cable service. Subscriber Revenues shall not include revenues received as installation charges and fees for reconnections, inspection, repairs, or modifications of any installations. Subscriber Revenues shall also not include any revenues received: (a) as reimbursement of expense in the operation of any access channels; (b) as advertising payments; (c) from the leasing of cable channels; (d) from programs for which a per-channel, perprogram or program/channel tier charge is made; and (e) from furnishing other communications and nonbroadcast services either directly or as a carrier for another party.

SECTION 3: Qualifications of Grantee and Grant of Authority. A public hearing concerning the renewal of the Franchise herein granted to the Company was held after proper public notice pursuant to the terms and conditions of the Stat Act. Said hearing, having been held as above stated and having been fully open to the public, and the Borough, having received at said hearing all comments regarding the qualifications of the Company to receive this Franchise, hereby finds that the Company continues to possess the necessary legal, technical, character, financial, and other qualifications and that the Company's operating and construction arrangements are adequate and feasible, and that, therefore, the Borough hereby grants the Company a non-exclusive consent, Franchise, right and privilege (herein, the "Franchise") to construct, erect, operate, modify and maintain, in, upon, along, across, above, over, and under the highways, streets, alleys, sidewalks, public ways and public places now laid out or dedicated and all extensions thereof, and additions thereto, in the Borough such poles, wires, cables, underground conduits, manholes, and other television conductors and fixtures necessary for the maintenance and operation in the Borough of a Cable Television System and Cable Communications System for the purpose of distributing television and radio signals, and other electronic impulses in order to furnish television and radio programs, and various communications and other electronic services to the public. The right so granted includes the right to use and occupy said highways, streets, alleys, public ways and public places, and all manner of easements for the purpose herein set forth and as provided by the Federal and the State Act.

SECTION 4: Franchise Term. The Franchise granted the Company herein shall terminate ten (10) years from the date of issuance of a Renewal Certificate of Approval by the Board.

SECTION 5: Payments to the Borough. The Company shall, during each year of operation under this Franchise, pay to the Borough two percent (2%) of the annual gross Subscriber Revenues received by the Company for cable television services rendered to subscribers located within the Borough. This is the maximum currently permitted by the State Act.

SECTION 6: Rates. The Borough acknowledges that, under the Federal Act, municipalities do not have the authority to regulate the rates the Company charges subscribers for its services.

SECTION 7: Local Office; Complaint Procedures.

- (a) During the term of this Franchise, the Company shall maintain a local business office or agent for the purpose of receiving and resolving all complaints regarding the quality of service, equipment malfunctions, and similar matters in accordance with N.J.A.C. 14:18-5.1. All complaints shall be received and processed pursuant to N.J.A.C. 14:17-7.1.
- (b) In addition to the requirement of subsection (a) of this section, the New Jersey Office of Cable Television (herein, the "OCTV") is hereby designated as the complaint officer required by N.J.S.A. 48:5A-26 to receive and act upon complaints by subscribers to cable television reception service provided pursuant to this Franchise.

SECTION 8: Liability and Indemnification.

- (a) The Company shall pay, and by its acceptance of this Franchise the Company expressly agrees that it will pay, all damages and penalties which the Borough may legally be required to pay as a result of the company's negligence in the installation, operation, or maintenance of the Cable Television System authorized herein. The Borough shall notify the Company's General Manager within fifteen (15) days after the presentation of any claim or demand to the Borough, either by suit or otherwise, made against the Borough on account of any negligence or contract as aforesaid on the part of the Company.
- (b) Furthermore, the Company shall provide comprehensive liability insurance as follows: (1) naming the Borough of Carlstadt as the primary assured, in the amount of \$1,000,000 for property damage and for bodily injury or death resulting from one accident or other actionable events. (2) Automobile liability insurance covering all owned, non-owned and hired vehicles with a minimum limit of \$1,000,000 for any one accident. (3) Shall maintain a policy of comprehensive automobile insurance, naming the Borough of Carlstadt as the primary assured, and covering all owned, non-owned and hired vehicles, in the minimum amount of \$1,000,000, combined single limit. (4) Shall maintain an umbrella liability policy naming the Borough of Carlstadt as the primary assured in the minimum amount of \$5,000,000 per occurrence and (5) \$5,000,000 annual aggregate. Shall maintain workers' compensation insurance as required by the State of New Jersey, policy to be endorsed to show Borough of Carlstadt as a named insured.
- (c) During the life of the Franchise, the Company shall give a bond to the Borough in accordance with N.J.S.A. 48:5A-28(d), which bond shall be in the amount of \$25,000.00. Such bond shall be to insure the faithful performance of all undertakings of the Company as represented in the Application herein.

SECTION 9: System Construction, Maintenance and Procedures.

The consent granted under this Franchise Territory. (a) Ordinance shall apply to the entirety of the Borough, and

any property hereafter annexed thereto.

(b) Facilities and Equipment. In transmitting its television signals to subscribers in the Borough, the Company shall provide a quality of signal that is at least as good as that customarily provided under prevailing industry standards, and shall comply with any requirements imposed by the Federal Regulations, and (to the extent not preempted by Federal law) any State Regulations relating to technical standards for the transmission of television signals, transmission quality, or facilities and equipment.

(C) Extension of Service.

The Company shall be required to provide service to any person's residence or business located in the Borough, in accordance with the Company's stated installation charges and line extension policy as set forth in the Application or as the same hereafter may be amended.

For purposes of any existing line extension (2) areas, extension of service shall not be required without a subscriber contribution-in-aid-of-construction into any area where there are less than thirty-five (35) homes per linear mile within five hundred (500) feet of the Company's existing

The Company shall cause any and all construction (3) plans relating to work on any extensions of its plant or work which could have a significant impact on public works within the Borough to be filed with

the Borough's Engineer.

(d) Relocation of Poles. In the event that, at any time during the term of this Ordinance, the Borough shall lawfully elect to alter or change the grade of any street, alley or other public way, the Company, upon reasonable notice by the Borough, shall remove, relay and relocate its poles, wires, cables, underground conduits, manholes, and other fixtures at the Company's own expense.

(e) Temporary Wire Changes. The Company shall, on the request of any Person holding a valid building moving permit issued by the Borough, temporarily raise or lower its wires to permit the moving of buildings, machinery or in other similar circumstances. The expense of such temporary removal, raising or lowering the wires shall be paid by the Person requesting same, and the Company shall have the authority to require such payment in advance. The Company shall be given not less than ten (10) days advance notice to arrange for temporary wire changes.

(f) Tree Trimming. The Company shall have the authority to trim trees upon and overhanging streets, highways, alleys, sidewalks, and public places within the Borough so as to prevent the branches of such trees from coming in to contact with the wires and cables of the Company.

(g) Compliance With Standards. All facilities and equipment of the Company shall be constructed and maintained in accordance with the requirements and specifications of the applicable ordinance and regulations set forth by the Borough and/or any other local, State or Federal agencies.

SECTION 10: Company Rules and Regulations. The Company shall have the authority to promulgate such rules, regulations, terms and conditions governing the conduct of its business as shall be reasonably necessary to enable the Company to exercise its rights and perform its obligations under this Franchise, and to assure an uninterrupted service to each and all of its customers; provided, however, that such rules, regulations, terms and conditions shall not be in conflict with Federal and/or State laws.

SECTION 11: Approval of Transfer. The Company shall not sell or transfer its CATV System to another, nor transfer any rights under this Franchise to another, except as provided in the State Act.

SECTION 12: Compliance With the Act. This Ordinance and Franchise is subject to all provisions of the State Act and Federal Act and to all lawful rules and regulations of the Board and OCTV, adopted pursuant thereto. The Company shall at all times comply with the rules and regulations governing cable television operations lawfully promulgated and adopted by the Board. In the event of a conflict between the State Act and State Regulations and any F.C.C. or Federal Regulations, the F.C.C. or Federal Regulations shall prevail.

SECTION 13: Activities Prohibited. The Company shall not allow its cable or other operations to interfere with television reception or persons not served by the Company, nor shall the System interfere with, obstruct or hinder in any manner, the operation of the various utilities serving the residents of the Borough.

SECTION 14: Incorporation of Application. All of the statements and commitments contained in the Application and any amendment thereto, except as modified herein, are binding upon the Company as terms and conditions of this consent. The Application and other relevant writings submitted by the Company shall be annexed hereto and made a part hereof by reference.

SECTION 15: Separability. If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is for any reason held invalid, preempted, or unconstitutional by any court or Federal or State agency of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision of this Ordinance, and such holding shall not affect the validity of the remaining portions hereof.

SECTION 16: Non-exclusivity. Although the Franchise granted to the Company herein is deemed to be non-exclusive the Borough agrees that it shall not grant any subsequent municipal consent(s) to any other Person to construct, own, operate, extend or maintain a CATV System or Cable Communications System on or upon terms and conditions which are any more favorable than the terms and conditions stated herein.

SECTION 17: Effective Date of Consent. This Ordinance shall take effect upon its final passage and publication according to law.

INTRODUCED: February 16, 1993 ADOPTED: March 15, 1993

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APPROVED:

DOMINICK PRESTO, MAYOR

ATTEST:

CLAIRE FOY, BOROUGH CLERK

I HEREBY CERTIFY THAT THE FOREGOING IS A TRUE COPY OF AN ORDINANCE ADOPTED BY

CLAIRE FOY,

THE BOROUGH COUNCIL OF THE BOROUGH OF CARLSTADT, NEW JERSEY ON MARCH 15, 1993.

5